

July 30, 2004

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Wendy L. Carney, Chief  
Remediation Response Branch #1  
USEPA, Region 5  
77 West Jackson Boulevard  
Chicago, IL 60604-3590



**Re: USEPA's June 3, 2004 General Notice Letter of Potential Liability & Information Request Related to Chemical Recovery Systems Site, Elyria, Ohio; Lucent's Continuing Response**

Dear Ms. Carney;

This continues the response of Lucent Technologies Inc. ("Lucent") to the United States Environmental Protection Agency ("USEPA") June 3, 2004 Information Request ("Request") pertaining to the Chemical Recovery Systems ("CRS") Site in Elyria, Ohio (the "Site"). Lucent tendered its initial response to USEPA's information request by correspondence dated June 30, 2004 (copy attached).

Lucent is responding to the subject Request as the successor to Western Electric Company for purposes of environmental responsibilities under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or "Superfund"), 42 U.S.C. §9601 *et seq.* Lucent makes this response without admission of liability or of any issues or questions of fact or law, and without prejudice to any position, response or defense that Lucent may take in the future concerning the Site. Further, Lucent makes this response subject to the following interpretations, limitations, objections and comments.

1. Lucent interprets the Request as seeking information relating to the CRS Site, not any other Superfund sites.
2. The Request is silent as to a relevant time frame. Lucent interprets the Request as covering the time period 1940 to 1980, which is the approximate period during which, according to information provided to us by the CRS Site potentially responsible party ("PRP") Group, the Site is alleged to have engaged in active operations.
3. Lucent's response to the Request, attached as Exhibit A, is provided on information and belief and as the result of a diligent and good faith effort to answer the Request.

1 North Brentwood Boulevard, Suite 1000

St. Louis, Missouri 63105-3925

Kansas City, Missouri

(314) 863-7733

Fax (314) 862-4656

Overland Park, Kansas

[www.spencerfane.com](http://www.spencerfane.com)

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4. Lucent tenders this response based on the results of its investigation to date. Lucent is continuing its investigation about connections with the CRS Site, and reserves the right to supplement its response if additional relevant information becomes available in the future.

5. As part of its investigation, Lucent has been in contact with the CRS Site PRP Group, which is comprised of parties who received earlier rounds of PRP notice letters. Although to date Lucent has not identified any of its own records which would link it to activity at the Site, the CRS Site PRP Group provided certain documents which are alleged to show that Lucent generated material which was disposed of at the Site. We understand that the CRS Site PRP Group obtained these documents, at least in part, from USEPA's contractor TechLaw, Inc. or USEPA's own PRP search files.

Consistent with Lucent's desire to fully disclose all available information and to respond to the Request as completely as possible, Lucent used the documents received from the CRS Site PRP Group in preparing its response to USEPA's Request. Lucent's use of these documents cannot be construed to mean that Lucent: (i) agrees with or accepts the information contained in such documents; (ii) accepts the methodologies used or conclusions reached by USEPA or TechLaw to generate the Site's Volumetric Ranking, the Waste-In List or any other documents; or (iii) endorses, accepts, concedes or admits any issue or question of fact or law with respect to documents received from these external sources.

6. Lucent must object to the scope of USEPA's Request as overbroad and unduly burdensome. The Request seeks information covering a forty year span which ended more than twenty years ago – from 1940, when the Site is alleged to have begun use for industrial purposes, through 1980, when the U.S. Department of Justice filed an action against the Site owner (CRS-OH) to abate an alleged imminent and substantial endangerment to public health and the environment.

7. Lucent's records for time periods so far in the past were subject to normal corporate document retention policies and are far from complete. Knowledgeable employees have died, retired, or disappeared from contact. Records of document storage histories and retention are, at this point, incomplete and often completely unknown. The information sought by the Request is difficult to find or reconstruct, and indeed may never have existed. Accordingly, while Lucent has conducted a reasonably diligent investigation it cannot, based on currently-available information, provide complete and comprehensive answers to all of the questions in the Request.

8. AT&T Corporation ("AT&T"), Lucent's immediate predecessor in interest for CERCLA responsibilities, went through the largest corporate reorganization in the nation's history (commencing in 1982 and concluding in 1984) when it divested the Bell Telephone operating companies. In 1996, AT&T in turn divested itself of the businesses now operated by Lucent. Further, over the years both AT&T and Lucent have gone through various and numerous restructuring events resulting in the early retirement, termination or reassignment of almost

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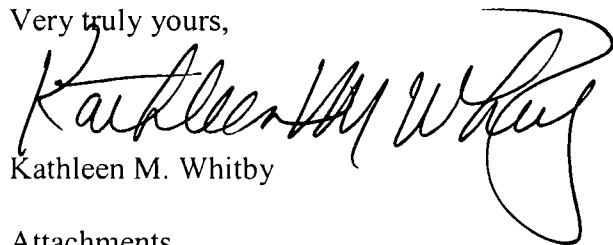
100,000 employees. During the course of all these events, numerous AT&T/Lucent buildings closed, manufacturing operations and facilities shut down, and the records of those operations or facilities were packed up, shipped off to various entities or destinations, or discarded as no longer relevant or useful.

Lucent provides this summary of the AT&T/Lucent corporate history to stress the heightened degree of difficulty Lucent encounters in conducting the types of investigations required by USEPA's Request – a level of difficulty above and beyond that caused by the normal passage of time. Given this reality, while Lucent has searched the records it considers most likely to contain information (if any such information still exists) responsive to the Request, Lucent may not have uncovered all information that could be responsive to the Request. Lucent will update this response with such additional relevant information, if and when it comes to light.

To facilitate Lucent's continuing investigation of its potential involvement at the Site, we renew the Freedom of Information Act ("FOIA") request set out in Lucent's June 30 initial response to USEPA. Please provide copies of all documents in USEPA's possession memorializing or purporting to memorialize a connection between Lucent (or its predecessors in interest AT&T Corporation or Western Electric Company) and the CRS Site.

We hope this letter and its attachments satisfy USEPA's information request. Please contact me if you have questions or concerns regarding this matter.

Very truly yours,



Kathleen M. Whitby

Attachments

cc via e-mail: Bryan Stole (Lucent)  
Ralph McMurry (Cozen O'Connor)  
John De Palma (Cozen O'Connor)

**CHEMICAL RECOVERY SYSTEMS SITE  
RESPONSE TO QUESTIONS**

**1. Identify all persons consulted in the preparation of the answers to these questions.**

|  |  |
|--|--|
| Bryan Stolte<br>Lucent Technologies<br>14000 Quail Spring Parkway<br>Oklahoma City, Oklahoma | Greg Vierkant<br>Lucent Technologies<br>2101 West Chesterfield Blvd<br>Springfield, MO 65807-8672    |
| Janet O'Rourke<br>Lucent Technologies<br>600 Mountain Avenue<br>Murray Hill, NJ 07974        | C. Laffoon Williams Jr.<br>Lucent Technologies<br>6200 East Boad Street<br>Columbus, Ohio 43213-1569 |
| Ralph McMurry, Esq.<br>Cozen O'Connor<br>45 Broadway<br>New York, NY 10006                   | John R. De Palma<br>Paralegal<br>Cozen O'Connor<br>45 Broadway<br>New York, NY 10006                 |

**2. Identify all documents consulted, examined, or referred to in the preparation of the answers to these questions and provide copies of all such documents.**

A. No nexus information indicating the basis for Western Electric's linkage to the Site was provided with the information request. Efforts were made to locate and review Lucent archived documents which may contain information responsive to the request. No Lucent records related to the Site were located.

B. Lucent has received a copy of selected documents related to the Site from an external source (Squire, Sanders & Dempsey L.L.P.), which represents the CRS Site PRP Group. Lucent understands that these documents were obtained, at least in part, from TechLaw, Inc. and/or the USEPA. A summary listing of the documents received is provided below. Lucent's reference to these documents in responding to any portion of this information request cannot be construed to mean: (i) agreement or acceptance of the information contained there; (ii) acceptance of the methodologies used or conclusions reached by USEPA or TechLaw to generate the Site's Volumetric Ranking, the Waste-In List or any other related documents; or (iii) concession or admission of any issue or question of fact or law with respect to documents received from these external sources.

1. TechLaw's Volumetric Ranking of PRPs.

2. Selected entries from TechLaw's Waste-In List which forms the basis for TechLaw's Volumetric Ranking.
3. TechLaw's Waste-In List Assumptions Summary and reference tables.
4. Selected site evidentiary documents used by TechLaw to generate the Waste-In List.

Copies of these document are attached.

**3. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any question or who may be able to provide additional responsive documents, identify such persons.**

No records were located allowing Lucent to determine the source from which alleged shipments to the Site originated. Therefore, Lucent is unable to identify persons who might have information related to the Site. However, even if such information was available, the impact of the massive restructuring, layoffs and other reorganizations which have occurred (please see response cover letter for details) within the company make it unlikely that any person who might be identified as knowledgeable in the area could be located at this time.

**4. List the EPA Identification Numbers of the Respondent.**

Lucent has numerous EPA Identification Numbers associated with its various facilities. Because Lucent is unable to identify the facility(s) alleged to have disposed of material at the Site, it is unable to provide identification numbers relevant to the request.

**5. Identify the acts or omissions of any person, other than your employees, contractors, or agents, that may have caused the release or threat of release of hazardous substances, pollutants, or contaminants and damages resulting therefrom at the CRS Site.**

No records responsive to this request were located.

**6. Identify all persons, including respondent's employees, who have knowledge or information about the generation, use, treatment, storage, disposal, or other handling of material at or transportation of materials to the Site (operating as Obitts Chemical Company or Chemical Recovery Systems, Inc., at 142 Locust Street, Elyria, Ohio).**

No records were located allowing Lucent to determine the source from which alleged shipments to the Site originated. Therefore, Lucent is unable to identify persons who might have information related to the operations at the facility(s) making shipments to the Site. However, even if such information was available, the impact of the massive restructuring, layoffs and other reorganizations which have occurred (please see response cover letter for details) within the company make it unlikely that any person who might be identified as knowledgeable in the area could be located.

**7. Describe all arrangements that Respondent may have or may have had with each of the following companies and persons:**

**a) Obitts Chemical Company**

No records responsive to the request were located.

**b) Russell Obitts**

No records responsive to the request were located.

**c) Chemical Recovery Systems, Inc.**

Account receivable records alleged to belong to Chemical Recovery Systems, Inc. were received from counsel from the CRS Site PRP Group. The records reference seven (7) transactions with the Western Electric Company (see attached documents). Six of the transactions make no reference whatsoever of the type of service provided. The seventh transaction makes reference to "Sludge." Lucent is continuing its review of these documents. Reference to these documents does not imply Lucent's agreement or acceptance of the information contained in them (see response to 2B above).

**d) Peter Shagena**

No records responsive to the request were located.

**e) James Freeman**

No records responsive to the request were located.

**f) James "Jim" Jackson**

No records responsive to the request were located.

**g) Donald Matthews**

No records responsive to the request were located.

**h) Bob Spears**

No records responsive to the request were located.

**i) Bill Bromley**

No records responsive to the request were located.

**j) Carol Oliver**

No records responsive to the request were located.

**k) Nolwood Chemical Company, Inc.**

No records responsive to the request were located.

**l) Art McWood**

No records responsive to the request were located.

**m) Chuck Nolton**

No records responsive to the request were located.

**n) Michigan Recovery Systems, Inc.**

No records responsive to the request were located.

**o) Chemical Recovery Systems of Michigan**

No records responsive to the request were located.

**8. Set forth the dates during which the Respondent engaged in any of the following activities:**

**a) generation of hazardous materials which were sent to the CRS Site;**

Purported account receivable records received from counsel for the CRS Site Group (see attached documents) reference Western Electric Company transactions dated 1/16/75, 4/14/75, 8/12/75, 10/7/75, 11/25/75, 3/29/76, and 5/24/76. Six of the transactions make no reference whatsoever of the type of service provided. The seventh transaction makes reference to "Sludge." Lucent is continuing its review of these documents. Reference to these documents does not imply Lucent's agreement or acceptance of the information contained there (see response to 2B above).

**b) transportation of any material to the CRS Site.**

No records responsive to the request were located.

**9. Identify all persons, including yourself, who may have arranged for disposal or treatment, or arranged for transportation for disposal or treatment, of materials, including, but not limited to, hazardous substances, at the CRS Site. In addition, identify the following:**

No records responsive to the request were located.

**a) The persons with whom you or such other persons made such arrangements;**

No records responsive to the request were located.

**b) Every date on which such arrangements took place;**

No records responsive to the request were located.

**c) For each transaction, the nature of the material or hazardous substance, including the chemical content, characteristics, physical state (e.g., solid, liquid), and the process for which the substance was used or the process which generated the substance;**

Lucent did not locate any records responsive to the request.

Purported account receivable records (see attached documents) received from counsel for the CRS Site PRP Group reference Western Electric Company reference transactions dated 1/16/75, 4/14/75, 8/12/75, 10/7/75, 11/25/75, 3/29/76, and 5/24/76 (see chart below). Lucent is continuing its review of these documents, which Lucent received from an external source. Lucent does not concede or admit any issue or question of fact or law with regard to these documents. (See response 2B above).

| TRANSACTION DATE | NOTATIONS ABOUT CONTENT, CHARACTERISTICS, PHYSICAL STATE, ETC. | TRANSACTION ACT. RECEIVABLE VALUE |
|------------------|--|-----------------------------------|
| 1/16/75          | "SALE"   | \$1,683.00                        |
| 4/14/75          | "SALE"   | \$1,782.00                        |
| 8/12/75          | "SALE"   | \$2,013.00                        |
| 10/7/75          | "SALE"   | \$2,013.00                        |
| 11/25/75         | "SALE"   | \$1,815.00                        |
| 3/29/76          | "SALE"   | \$1,683.00                        |
| 5/24/76          | 1749.00 "SALE"; 133.65 "SLUDGE"                                | \$1,882.65                        |

No records indicating the process the substances were used in, or the process which generated the substances, were provided by counsel for the CRS Site PRP Group or located by Lucent.

**d) The owner of the materials or hazardous substances so accepted or transported;**

No records responsive to the request were located.

**e) The quantity of the materials or hazardous substances involved (weight or volume) in each transaction and the total quantity for all transactions;**

No Lucent records were located which provided information on material shipped to the Site. The TechLaw Volumetric Ranking dated November 4, 2002 received from counsel



for the CRS Site PRP Group allocates an estimated volume of 12,603.01 to Western Electric (Lucent). In referencing this report, Lucent does not endorse or accept the methodologies used or conclusions reached by the U.S.EPA and/or its contractor TechLaw to generate the estimated Lucent volume, the Site's Volumetric Ranking, the Waste-In List or any related documents (see response 2B above).

**f) All tests, analyses, and analytical results concerning the materials;**

No records responsive to the request were located.

**g) The person(s) who selected the CRS Site as the place to which the materials or hazardous substances were to be transported;**

No records responsive to the request were located.

**h) The amount paid in connection with each transaction, the method of payment, and the identity of the person from whom payment was received;**

Please refer to response to question 9c above. Lucent did not locate any internal documents responsive to this request. The transaction value information provided in question 9c was obtained from documents received from counsel for the CRS Site PRP Group. Lucent is continuing its review of these documents. Reference to these documents does not imply Lucent's agreement or acceptance of the information contained in them. (See response 2B above)

**i) Where the person identified in g., above, intended to have such hazardous substances or materials transported and all evidence of this intent;**

No records responsive to the request were located.

**j) Whether the materials or hazardous substances involved in each transaction were transshipped through, or were stored or held at, any intermediate site prior to final treatment or disposal;**

No records responsive to the request were located.

**k) What was actually done to the materials or hazardous substances once they were brought to the CRS Site;**

No records responsive to the request were located.

**l) The final disposition of each of the materials or hazardous substances involved in such transactions;**

No records responsive to the request were located.

**m) The measures taken by you to determine the actual methods, means, and site of treatment or disposal of the material and hazardous substance involved in each transaction;**

No records responsive to the request were located.

**n) The type and number of containers in which the materials or hazardous substances were contained when they were accepted for transport, and subsequently until they were deposited at the CRS Site, and all markings on such containers;**

No records responsive to the request were located.

**o) The price paid for (i) transport, (ii) disposal, or (iii) both of each material and hazardous substance.**

No internal records responsive to the request were located. Please refer to responses to questions 9c & 9h above.

**p) All documents containing information responsive to a – o above, or in lieu of identification of all relevant documents, provide copies of all such documents.**

Attached.

**q) All persons with knowledge, information, documents responsive to a – p above.**

Lucent has no such information.

**10. Identify all liability insurance policies held by Respondent from 1960 to the present. In identifying such policies, state the name and address of each insurer and of the insured, the amount of coverage under each policy, the commencement and expiration dates for each policy, whether or not the policy contains a “pollution exclusion” clause, and whether the policy covers or excludes sudden, nonsudden, or both types of accidents. In lieu of providing this information, you may submit complete copies of all relevant insurance policies.**

No records were located indicating which Western Electric (Lucent) facility is allegedly responsible for disposal of material at the Site. Therefore, Lucent is unable to determine what, if any, insurance policy information may be responsive to this request. In the event Lucent determines or is determined to be responsible for the performance or payment of response actions at the CRS Site, Lucent expects to be able to fund such performance or payment without recourse to insurance policies or coverage.

**11. Provide copies of all income tax returns, including all supporting schedules, sent to the Federal Internal Revenue Service in the last five years.**

Lucent is a large corporation with extremely voluminous tax return documents. Responding to this request would be overly burdensome. Lucent's financial ability to perform or pay for response actions at the CRS Site is confirmed by the latest 10-K Report dated September 30, 2003 (attached).

**12. If Respondent is a Corporation, respond to the following requests:**

**a) Provide a copy of the Articles of Incorporation and By-Laws of the Respondent.**

Attached.

**b) Provide Respondent's financial statements for the past fiscal years, including, but not limited to, those filed with the Internal Revenue Service and Securities and Exchange Commission.**

Lucent's financial statements for past fiscal years are voluminous and not relevant to Lucent's ability to perform or pay for ongoing or future response actions at the CRS Site. In the event Lucent determines that it is, or is determined to be, responsible for the performance or payment of response actions at the CRS Site, Lucent expects to be able to fund such performance or payment. Lucent's financial ability to perform or pay for response actions at the CRS Site is confirmed by the latest 10-K Report dated September 30, 2003 (attached).

**c) Identify all of Respondent's current assets and liabilities and the person(s) who currently own or is responsible for such assets and liabilities.**

Lucent's financial statements for past fiscal years are voluminous and not relevant to Lucent's ability to perform or pay for ongoing or future response actions at the CRS Site. In the event Lucent determines that it is, or is determined to be, responsible for the performance or payment of response actions at the CRS Site, Lucent expects to be able to fund such performance or payment. Lucent's financial ability to perform or pay for response actions at the CRS Site is confirmed by the latest 10-K Report dated September 30, 2003 (attached).

**d) Identify the Parent Corporation and all Subsidiaries of the Respondent.**

There is no Parent Corporation of Lucent Technologies, Inc. A listing of Lucent's current subsidiaries is attached. Please treat this list of subsidiaries as BUSINESS CONFIDENTIAL.

**13. If Respondent is a Partnership, respond to the following requests:**

**a) Provide copies of the Partnership Agreement;**

Not Applicable.

**b) Provide Respondent's financial statements for the past five fiscal years, including, but not limited to, those filed with the Internal Revenue Service and Securities and Exchange Commission;**

Not Applicable.

**c) Identify all of Respondent's current assets and liabilities and the person(s) who currently own or is responsible for such assets and liabilities.**

Not Applicable.

**d) Identify all subsidiaries of the Respondent.**

Not Applicable.

**14. If Respondent is a Trust, respond to the following requests:**

**a) Provide all relevant agreements and documents to support this claim.**

Not Applicable.

**b) Provide Respondent's financial statements for the past five fiscal years, including, but not limited to, those filed with the Internal Revenue Service and Securities and Exchange Commission.**

Not Applicable.

**c) Identify all of Respondent's current assets and liabilities and the person(s) who currently own or is responsible for such assets and liabilities.**

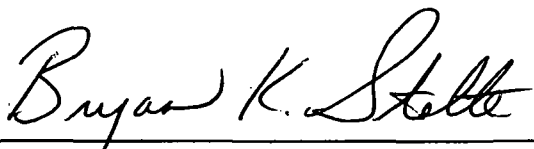
Not Applicable.

## CORPORATE CERTIFICATION

### Lucent Response to USEPA's Request for Information Concerning the CRS Site in Elyria, Ohio

I certify under penalty of law that this document and all Enclosures were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted.

Based upon my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete within the constraints described in the cover letter that accompanies the information. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.



\_\_\_\_\_  
Signature

Bryan K. Stolte, Ph.D., C.I.H.

\_\_\_\_\_  
Name

Sr. Manager, Env. Systems & Remediation/Due Diligence

\_\_\_\_\_  
Title

July 29, 2004

\_\_\_\_\_  
Date